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Draft to DDO
on 16 Sep 80

16 September 1980

MEMORANDUM FOR: Director of Central Intelligence

VIA: Deputy Director of Central Intelligence

THROUGH: Deputy Director for Administration
Deputy Director for Science and Technology
Director, National Foreign Assessment Center
Director of Personnel Policy, Planning
and Management
Comptroller
General Counsel
Chief, Central Cover Staff
Director of Finance

FROM: John N. McMahon
Deputy Director for Operations

SUBJECT: Additional Compensation for Overseas
Personnel (ACOP) (U)

1. Paragraph 6 contains a recommendation that you approve a program to provide Additional Compensation for Overseas Personnel (ACOP). (S)

2. The unique mission of this Agency and its personnel overseas has long been established and recognized. Almost all Agency employees serving abroad are required to live a cover legend which effectively causes them to lead two distinct and separate lives. The Agency employee must be constantly on guard to protect the secrets that are an integral part of the daily work routine. While other official Americans are at ease in discussing their work in a social environment, our

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employees must speak and act circumspectly. More often than not, at the end of a distinguished career, an Agency employee is unable to build a second career on the tenets developed during Agency service. The Agency's retirement and benefits systems were developed in response to the toll that this type of existence exacted. (S)

3. New factors have been dramatically introduced recently into the overseas lives of Agency employees. As a result of a concerted effort by a small, well-organized and vocal group of detractors, the problems associated with serving overseas for the Agency have become increasingly stressful. With unpleasant regularity, lists of our employees are being verbalized and published in national and international publications. Books are rushed to print which feature lists of our employees and their overseas assignments as the major attraction. These lists act to jeopardize the effectiveness of our operations, to identify, by association, subsequent assignees to posts where Agency employees have been identified, and most significantly, to place in danger the well being of our employees and their immediate families. (S)

4. Under these new threats, the stress which was formerly accepted as part of the job has been significantly compounded. Few overseas employees are totally protected from identification. A casual identification made years earlier can surface at any time. Terrorist groups devoted to obtaining world recognition

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for their causes seem to have settled on the proposition that the more outlandish the act of terrorism, the greater the publicity. Since our employees in the field represent targets which the terrorists believe they can rationally justify, the position of an identified Agency employee in the field has potentially ominous implications. Our detractors are not concerned with the particular function that an employee performs in the field; it is their Agency employment that creates the interest. A secretary represents the same potential target as a communicator, a reports officer or a case officer. Unfortunately, it logically follows that the employee's family is also placed in a position of potential harm. Thus, working in an adverse climate, with the employee's concerns centered not only on his own safety but the safety of his family, effectively creates an increasingly difficult and potentially dangerous task. (S)

5. These stressful situations further separate our tasks, and the circumstances under which we must perform them, from those of most other official Americans abroad. The situation is further exacerbated by the fact that our personnel put in longer work hours and this reality of overseas work serves only to heighten our visibility and exposure to potential threat. As we move toward integrated cover for more and more of our employees, the requirement for a station complement to put in a

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[redacted] in addition to their Agency requirements, will only serve to aggravate the current problem. (S)

6. Although the Agency is actively pursuing other courses of action to alleviate these increasingly stressful circumstances, it cannot be assumed that our efforts will ever be entirely successful. In view of the foregoing, it is recommended that you approve Additional Compensation for Overseas Personnel (ACOP) for Agency personnel serving in the foreign field which clearly recognizes, and partially compensates for, the stressful conditions of overseas employment. The ACOP would be a taxable flat rate payment of \$50 per bi-weekly pay period and would be paid in addition to current allowances and other existing forms of compensation. (S)

7. The amount of the proposed ACOP payment was not determined by use of a specific formula. It was, rather, based on an amount judged reasonable in order to send a signal to personnel serving in the field, and those anticipating field service, that this Agency understands the current adverse conditions under which service is presently required. Approval of this program would also serve to counter the trend perceived by field personnel that CIA continues to lose benefits overseas by acquiescence and is becoming just "another federal agency." The flat rate figure was developed to increase the proportionate benefit to those personnel in the lower grades and to acknowledge

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the shared stress, regardless of grade or position. While it is recognized that the stresses of overseas service apply equally to both spouses when they are employed at a station, it is also recognized that the stresses transfer to the spouse in the home. Since this program is unique and budgetary constraints must be considered, ACOP payments should be initially limited to only one working family member. Guidelines for implementation are annexed to this memorandum. (S)

8. We are confident that the Agency can successfully defend the implementation of this program to our oversight committees, should this become necessary. The Office of General Counsel has ruled that a legal basis exists for the institution of this form of compensation. With [] full-time overseas positions programmed for FY-81, the cost for this program would be approximately [] per annum. Although no funds are obligated for this program, I believe it is of sufficient merit to warrant your special consideration. (S)

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John N. McMahon

Attachment:
Annex

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CONCURRENCE:

Deputy Director for Administration

Date

Deputy Director for Science & Technology

Date

Director, National Foreign Assessment
Center

Date

Director of Personnel Policy, Planning
and Management

Date

Comptroller

Date

General Counsel

Date

Chief, Central Cover Staff

Date

Director of Finance

Date

Deputy Director of Central Intelligence

Date

APPROVED:

Director of Central Intelligence

Approved For Release 2005/08/08 : CIA-RDP92-00420R000100010052-5

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